



# NEWS RELEASE

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CALIFORNIA STATE TREASURER PHIL ANGELIDES

**FOR IMMEDIATE RELEASE**  
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## **STATE TREASURER'S OFFICE ANNOUNCES INAUGURAL \$615 MILLION 'GARVEE' BOND SALE FOR HIGHWAY PROJECTS**

*Proceeds to Help Fund Eight Critical Road Projects Throughout the State*

SACRAMENTO, CA – State Treasurer Phil Angelides today announced the successful sale of the inaugural issue of a multi-billion dollar bond program for critical highway projects located throughout the State. The \$615 million issue is California's first series of Federal Highway Grant Anticipation Bonds, commonly known as GARVEE Bonds. The 11-year bonds, well received by retail and institutional investors, were sold with a true interest cost of approximately 3.03 percent.

The bond sale will enable the completion of crucial highway projects earlier than would otherwise be possible. A number of these projects will help relieve congestion in some of the most notorious bottlenecks in California, including I-15 in San Diego County, and I-101 in Los Angeles County, while other projects will provide improved access to Norman Y. Mineta San Jose International Airport and on key interchanges in Riverside County. Over time, this new transportation bond program will accelerate billions of dollars of investment into the California economy.

The California GARVEE Bond program was enacted under 1999 legislation sponsored by Treasurer Angelides and authored by state Sen. John Burton, and subsequently expanded. The California Transportation Commission (CTC) and the California Department of Transportation (Caltrans) play key roles: the CTC establishes policies and selects projects for GARVEE financing, and Caltrans contracts with the federal government for the reimbursements that repay the bonds.

The California GARVEE bonds are to be paid from a portion of the future reimbursements California will receive from the Federal Highway Administration over the next 11 years. The California GARVEE program is the first in the nation to achieve AA-category ratings from all three rating agencies: Moody's Investors Service, Standard & Poor's, and Fitch Ratings. The California GARVEE bonds are highly sought investments because they represent a new state-level credit and benefit from ratings that are two grades higher than the current California General Obligation bond.

The Projects funded by the Series 2004A State of California GARVEE Bonds include the following (amounts shown represent approximate proceeds from the bonds allocated to each project):

***San Diego - Interstate 15 Managed Lanes (\$197 million).*** This project will improve freeway capacity on I- 15 in the cities of San Diego and Escondido in San Diego County. Improvements consist of widening eight miles of existing freeway lanes to accommodate four managed lanes within the median. Lane configurations will be altered through the use of a movable barrier, thus improving freeway capacity for High Occupancy Vehicles (HOVs) and transit users in the direction of peak travel.

***Riverside - State Route 60 / State Route 91 / Interstate 215 Interchange (\$240 million).*** This project consists of constructing two freeway-to-freeway connectors at the interchange of SR-60, SR-91 and I-215; improving freeway mainline operations with auxiliary lanes on SR-60, SR-91, and I-215. The project also includes extending the existing HOV lanes and constructing a truck bypass connector on I-215, upgrading existing local interchanges, and constructing retaining walls and sound walls, and other improvements.

***Santa Clara - Interstate 880 / Coleman Avenue Interchange (\$66 million).*** This project consists of reconfiguring and widening existing ramps of the I-880 / Coleman Avenue Interchange, adding a new direct connection ramp from Airport Boulevard to southbound I-880, replacing the Coleman Avenue Interchange overcrossing at I-880, and widening Coleman Avenue to six lanes from north of Airport Boulevard to Hedding Street. The scope and schedule of these improvements are directly linked to the planned expansion of the Norman Y. Mineta San Jose International Airport.

***Santa Clara - State Route 87 (North) (\$35.8 million).*** SR-87 provides regional access from Highway 101 to the San Jose International Airport, downtown San Jose and the southern end of the Santa Clara County. This project consists of construction of a HOV lane in each direction in the existing median between Julian Street and I-280 in downtown San Jose. The project also includes the widening of six bridges and the installation of ramp meters.

***Santa Clara - State Route 87 (South) (\$41.2 million).*** This project consists of the construction of a HOV lane in each direction in the existing median between SR-85 and I-280 in downtown San Jose. In addition to new HOV lanes, the project will include construction of collector/distributor lanes from I-280 to Alma Avenue and the addition of an auxiliary lane.

***Los Angeles - Interstate 5 HOV Lanes (\$23.8 million).*** This project involves the construction of one HOV lane in each direction in the median on I-5, from SR-118 to SR-14. Incorporation of HOV lanes within specific sections of this segment of the I-5 freeway will alleviate existing congested conditions, improve the level of service, encourage carpooling and improve air quality.

***Los Angeles - Interstate 405 Auxiliary Lane (\$28.4 million).*** This project proposes to add an auxiliary lane between existing on- and off-ramps on Southbound I-405 between Waterford and Interstate 10. The proposed improvements are designed to reduce the traffic congestion and enhance safety for the motorists.

***Los Angeles - Interstate 405 / Highway 101 Gap Closure (\$25.4 million).*** This project will extend the existing auxiliary lane past the Greenleaf off-ramp to the Highway 101 Connector, close the loop on-ramp from eastbound Ventura Boulevard, and construct the Ventura Boulevard/Sepulveda Boulevard Bypass. This project is designed to eliminate the existing weaving movement, improve safety, increase roadway capacity, and relieve traffic congestion.

*Please go to the Treasurer's website, [www.treasurer.ca.gov](http://www.treasurer.ca.gov), to view a map of the road project locations.*

# STATE OF CALIFORNIA

Series 2004A Construction Project Locations

